

FISCAL NOTE

HB 2863 - SB 3094

February 13, 2002

SUMMARY OF BILL: Specifies that the state funding board shall provide for the payment of the principal of and interest on all tax revenue anticipation notes as they become due, out of the revenues and funds available for such purpose. Authorizes the state funding board to procure legal and technical advice, approving opinions and financial assistance as necessary in complying with provisions related to tax revenue anticipation notes. Provides that expenses for such advice may be funded by the notes.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Increase state revenues exceeding \$1,000,000 in years when tax revenue anticipation notes are issued.

Estimate assumes under the provisions of the bill the state can issue tax revenue anticipation notes in an amount equal to the estimated revenue without regard to the special revenue pledge to cover debt service resulting in increased interest income for the state from the difference between the interest rate paid on the notes and the rate of earnings on the investment of the note proceeds.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

HB 2863 - SB 3094